

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

October 26, 2005

Mark Reynolds, Resident Agent Hiawatha Coal Company P.O. Box 1245 Huntington, Utah 84528

Subject: Results of the Midterm Permit Review, Hiawatha Coal Company,

Hiawatha Mine, C/007/0011, Task ID #2066, Outgoing File

Dear Mr. Reynolds:

The Division has completed the Midterm review for the Hiawatha mine as required by R645-303-211. The following items chosen for review were identified to you in a letter dated November 18, 2004.

- 1. An AVS check to ensure that Ownership and Control information is current and correct.
- 2. A review to ensure that the Plan has been updated to reflect changes in the Utah Coal Regulatory Program, which have occurred subsequent to permit approval (One area of emphasis is to ensure compliance with the U. S. Fish and Wildlife Windy Gap Process).
- 3. A review of the plan to ensure that the requirements of all permit conditions, division orders, notice of violation abatement plans, and permittee initiated plan changes are appropriately incorporated into the plan document.
- 4. A review of the applicable portions of the permit to ensure that the plan contains commitments for application of the best technology currently available (BTCA) to prevent additional contributions of suspended solids to stream flows outside of the permit area.
- 5. A review of the bond to ensure that it is in order and that the cost estimate is accurate and is escalated to the appropriate year dollars.
- 6. A review of the MRP commitments for the subsidence control/monitoring plans and reporting requirements.

Page 2 Mark Reynolds October 26, 2005

7. A technical site visit in conjunction with the assigned compliance inspector to document the status and effectiveness of operational, reclamation, and contemporaneous reclamation practices.

The midterm review has been completed, and all sections of the review have been fulfilled. A complete copy of the MRP should be maintained at the minesite. Enclosed is a CD of the Technical Analysis. This concludes the Midterm Review for the Hiawatha Mine. Thank you for your help during this process.

Sincerely,

D. Wayne Hedberg Permit Supervisor

an Enclosure

Ranvir Singh, OSM w/o
Jim Kohler, BLM w/o
Mark Page, Water Rights w/o
Dave Ariotti, DEQ w/o
Derris Jones, DWR w/o
Price Field Office w/o

O:\007011.HIA\FINAL\WG2066\midtermapproval_2066.doc